

FACTSHEET Creating a More Efficient Government

Problems with Workers Compensation:

- Workers compensation claims have cost the taxpayers \$896 million dollars during the past six years.
 - o That equates to about \$150 million annually.
 - o That \$150 million annually could have paid for a 2% pay raise for state employees every year.
- Approximately 40% of those costs are directly related to abuse or outright fraud and we must take hold of those costs and get them under control.

Reforming Workers Compensation:

- The governor will sign and submit an executive order placing the oversight
 of workers' compensation under the Office of State Human Resources with
 one of its first priorities being responsibly settling cases over five years old.
 - o This could save up to \$17 million over the next two years.
- The governor and the Office of State Human Resources will increase worker safety training which will not only reduce accidents, but prevent them from happening in the first place.
- The governor and Office of State Human Resources will also launch an effort to stop fraud dead in its tracks.

Problems with Information Technology:

- The piecemeal approach we have taken over the past decade has been a disaster.
- 74% of the State's IT projects have come in over budget and behind schedule.
- North Carolina has 40 data centers with over 1,000 different computer systems.
- The opportunity to leverage purchasing power across several agencies is often bypassed.

Reforming IT:

- The governor will propose a new cabinet-level Department of Information Technology to increase accountability and streamline IT operations.
- IT professionals throughout the Cabinet agencies and departments of the Executive Branch will report to the new department.
 - Employees will remain housed with their secretaries to provide inhouse expertise and service.

Other Efficiency Reforms

- Transfer the North Carolina Zoo and state aquariums, museums and our State Park System from the Department of Natural and Environmental Resources to the Department of Cultural Resources, which manages attractions as part of its mission.
- Transfer several agencies from the Department of Administration to where they are better aligned.